

**Mississippi Secretary of State**  
700 North Street P. O. Box 136, Jackson, MS 39205-0136

**ADMINISTRATIVE PROCEDURES NOTICE FILING**

AGENCY NAME Mississippi State Oil & Gas Board		CONTACT PERSON Howard O. Leach	TELEPHONE NUMBER 1-601-576-4921
ADDRESS 500 Greymont Avenue – Suite E		CITY Jackson	STATE MS
EMAIL hleach@ogb.state.ms.us	SUBMIT DATE 09/25/15	26 Mississippi Administrative Code, Pt. II, R. 1.68 (“ <u>Disposal of NORM Associated with Oil and Gas Production</u> ”))	

Short explanation of rule/amendment/repeal and reason(s) for proposing rule/amendment/repeal:

Amend existing Statewide Rule 1.68 to prescribe revised standards and procedures governing the non-commercial disposal of oilfield E&P NORM materials. MCA Sec. 53-1-17(3) (1972)

List all rules repealed, amended, or suspended by the proposed rule: 26 Miss. Administrative Code, Pt. II, R. 1.68 (“NORM Disposal”))

**ORAL PROCEEDING:**

☒ An oral proceeding is scheduled for this rule on Date: October 21, 2015 Time: 10:00 o'clock, A. M. Place: Hearing Room, Miss. State Oil & Gas Board, 500 Greymont Avenue, Suite E, Jackson, Mississippi

☐ Presently, an oral proceeding is not scheduled on this rule.

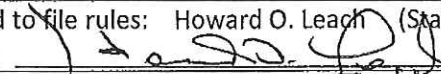
If an oral proceeding is not scheduled, an oral proceeding must be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) or more persons. The written request should be submitted to the agency contact person at the above address within twenty (20) days after the filing of this notice of proposed rule adoption and should include the name, address, email address, and telephone number of the person(s) making the request; and, if you are an agent or attorney, the name, address, email address, and telephone number of the party or parties you represent. At any time within the twenty-five (25) day public comment period, written submissions including arguments, data, and views on the proposed rule/amendment/repeal may be submitted to the filing agency.

**ECONOMIC IMPACT STATEMENT:**

☐ Economic impact statement not required for this rule. ☒ Concise summary of economic impact statement attached.

TEMPORARY RULES	PROPOSED ACTION ON RULES	FINAL ACTION ON RULES
_____ Original filing _____ Renewal of effectiveness To be in effect in _____ days Effective date: _____ Immediately upon filing _____ Other (specify): _____	<b>Action proposed:</b> _____ New rule(s) <input checked="" type="checkbox"/> Amendment to existing rule(s) _____ Repeal of existing rule(s) _____ Adoption by reference <b>Proposed final effective date:</b> _____ 30 days after filing <input checked="" type="checkbox"/> Other (specify): _____ Effective 60 days after approval	<b>Date Proposed Rule Filed:</b> _____ <b>Action taken:</b> _____ Adopted with no changes in text _____ Adopted with changes _____ Adopted by reference _____ Withdrawn _____ Repeal adopted as proposed <b>Effective date:</b> _____ 30 days after filing _____ Other (specify): _____

Printed name and Title of person authorized to file rules: Howard O. Leach (Staff Attorney)

Signature of person authorized to file rules: 

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The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.



DELBERT HOSEMAN  
*Secretary of State*

## CONCISE SUMMARY OF ECONOMIC IMPACT STATEMENT

An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. This is a Concise Summary of the Economic Impact Statement which must be filed with the Secretary of State's Office.

AGENCY NAME Mississippi State Oil & Gas Board	CONTACT PERSON Howard O. Leach (Staff Attorney)		TELEPHONE NUMBER (601) 576-4921
ADDRESS 500 Greymont Avenue - Suite E	CITY Jackson	STATE MS	ZIP 39202
EMAIL hleach@ogb.state.ms.us	DESCRIPTIVE TITLE OF PROPOSED RULE 26 Mississippi Administrative Code, Pt. II, R. 1.68 ("Disposal of NORM Associated with Oil and Gas Production")		
Specific Legal Authority Authorizing the promulgation of Rule: MCA Sec. 53-1-17(3) (1972)		Reference to Rules repealed, amended or suspended by the Proposed Rule: 26 Miss. Administrative Code, Pt. II, R. 1.68 ("NORM Disposal")	

### A. Estimated Costs and Benefits

1. Briefly summarize the benefits that may result from this regulation and who will benefit: The approval of the proposed amendments to Statewide Rule 1.68 will clarify that the Miss. State Oil & Gas Board's rules regarding the disposal of oilfield E&P NORM materials is limited to non-commercial disposal; will integrate into the existing rule both a concentration level as well as an exposure level in the testing for Radium 226 and Radium 228 in connection with the release of NORM-impacted lands; will restrict the geographic areas within which NORM materials may be landspread; will require the written approval of surface landowners before their lands can be used for NORM disposal through landspreading; will establish a 300-foot setback from occupied dwellings within which NORM landspreading activities may not be conducted; will limit the landspreading of NORM E&P wastes to NORM-impacted scale and NORM-impacted soil; and will limit the term of NORM disposal permits to a maximum period of five (5) years. The approval of the proposed amendments will contribute significantly to protecting the public health and safety and the land and water resources and wildlife of the State of Mississippi.
2. Briefly describe the need for the proposed rule: The approval of the proposed amendments will clarify that this agency's NORM disposal jurisdiction is limited strictly to non-commercial disposal. It will further establish additional testing requirements to insure that the release of NORM-impacted lands poses no serious health, safety or environmental risks to the citizens of the state. Additionally, it will further protect the public health and safety, as well the environment, by reasonably restricting the type oilfield E&P NORM materials which may be disposed of through landspreading as well as the geographic areas within which those landspreading activities may occur.



3. Briefly describe the effect the proposed action will have on the public health, safety, and welfare: The public health, safety and welfare will be significantly enhanced by the approval of the proposed amendments to Statewide Rule 68 by establishing additional and more rigorous testing requirements prior to the release of NORM-impacted lands by oil and gas operators; by further restricting the types of oilfield E&P NORM materials which may be landspread; and by additionally limiting the geographic areas within which oilfield E&P NORM materials may be landspread. It should further be pointed out that the proposed amendments and revisions to Statewide Rule 68 will impose no new or additional "requirements" upon oil and gas operators. The disposal of oilfield E&P NORM materials through landspreading is entirely optional with the individual oil and gas operator. Landspreading is simply one of the multiple NORM disposal methods currently available to oil and gas operators under the provisions of existing Statewide Rule 68. It is not the only NORM disposal option available.
4. Estimated Cost of implementing proposed action:
- a. To the agency  
☐ Nothing ☒ Minimal ☐ Moderate ☐ Substantial ☐ Excessive
  - b. To other state or local government entities  
☒ Nothing ☐ Minimal ☐ Moderate ☐ Substantial ☐ Excessive
5. Estimated Cost and/or economic benefit to all persons directly affected by the proposed rule:
- c. Cost:  
☐ Nothing ☒ Minimal ☐ Moderate ☐ Substantial ☐ Excessive
  - d. Economic Benefit:  
☐ Nothing ☒ Minimal ☐ Moderate ☐ Substantial ☐ Excessive
6. Estimated impact on small businesses:
- ☐ Nothing ☒ Minimal ☐ Moderate ☐ Substantial ☐ Excessive
  - a. Estimate of the number of small businesses subject to the proposed regulation: Any oil and gas operator has the option of utilizing landspreading to dispose of oilfield E&P NORM materials under the existing provisions of Statewide Rule 68. Nothing contained in these proposed amendments will change that. However, it is anticipated that only a limited number of operators will likely utilize landspreading in the future given the fact that only three (3) NORM disposal permits have been issued by this agency for the landspreading of NORM since the adoption of Statewide Rule 68 in 1999. That is a remarkably small number of landspreading permits to be issued during a sixteen (16) year period.
  - b. Projected costs for small businesses to comply: The estimated costs to oil and gas operators to comply with these additional requirements, if any, will likely occur in the area of additional testing prior to the release of NORM-impacted lands. It is believed that any additional testing costs which may be incurred will likely be limited to under \$10,000.00 per disposal site.
  - c. Statement of probable effect on impacted small businesses: The approval of the proposed amendments will have little, if any, effect upon small oil and gas operators. As stated above, the Miss. State Oil & Gas Board has approved

only three (3) NORM landspreading permits in the past sixteen (16) years. Furthermore, NORM disposal through landspreading is not a "requirement" of Statewide Rule 68. It is only one of multiple NORM disposal options afforded to operators under the rule.

7. The cost of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):
- ☐ substantially less than ☐ moderately less than ☐ minimally less than  
☐ the same as ☒ minimally more than ☐ moderately more than  
☐ substantially more than ☐ excessively more than
8. The benefit of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):
- ☐ substantially less than ☐ moderately less than ☐ minimally less than  
☐ the same as ☐ minimally more than ☐ moderately more than  
☒ substantially more than ☐ excessively more than

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#### B. Reasonable Alternative Methods

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1. Other than adopting this rule, are there less costly or less intrusive methods for achieving the purpose of the proposed rule?
- ☐ yes ☒ no
2. If yes, please briefly describe available, reasonable alternative(s) and the reasons for rejecting those alternatives in favor of the proposed rule. (Please see §25-43-4.104 for factors you must consider.) Not applicable

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#### C. Data and Methodology

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1. Please briefly describe the data and methodology you used in making the estimates required by this form. The estimates and conclusions set forth above are based upon the MSO&GB's extensive experience over the past eighty (80) years in serving as Mississippi's oil and gas conservation agency and during the past sixteen (16) years in administering the provisions of existing Statewide Rule 68. During that period this agency has permitted and regulated the day-to-day operations of thousands of oil and gas wells and related E&P facilities in this state.

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#### D. Public Notice

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1. Where, when, and how may someone present their views on the proposed rule and request an oral proceeding on the proposed rule if one is not already scheduled? The MSO&GB will conduct a public hearing in these rule-making proceedings commencing at 10:00 o'clock, A. M. on October 21, 2015, in the Hearing Room of the MSO&GB located at 500 Greymont Avenue, Suite E, Jackson, Mississippi. In addition, written comments and/or formal docket contests may be filed with the agency up until 5:00 o'clock, P. M. on Tuesday, October 13, 2015.

SIGNATURE 	Howard O. Leach	TITLE Staff Attorney (MSO&GB)
DATE September 25, 2015		PROPOSED EFFECTIVE DATE OF RULE 60 days following approval